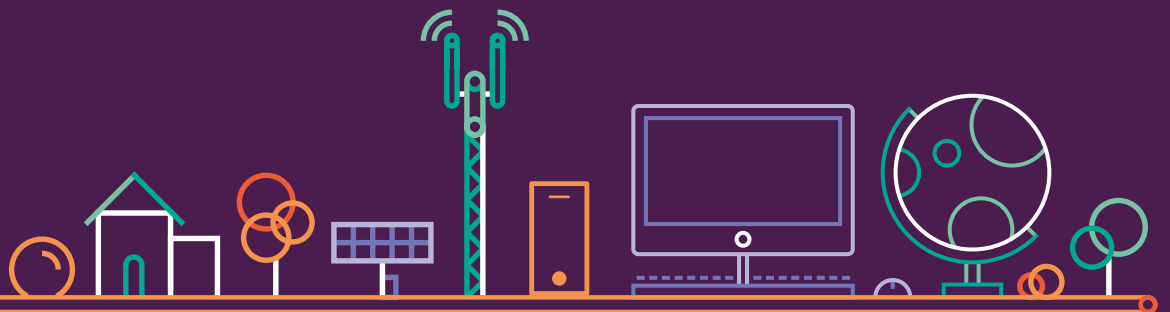




Ombudsman Services: Communications

Annual Activity Report



July 2018- July 2019



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In June 2015 Ombudsman Services: Communications (OS:C) was approved by Ofcom to provide alternative dispute resolution under the Alternative Dispute Resolution for Consumer Disputes [Competent Authorities and Information] Regulations 2015 [the Regulations]. Services/products that fall within the jurisdiction of OS:C include those provided to domestic and/or small business customers which fall within the scope of “electronic communications services” as defined under Section 32[2] of the Communications Act 2003. As part of Ofcom’s approval, under Schedule 5 of the Regulations, OS:C is required to produce an annual activity report which contains the information below:

a) The number of domestic disputes and cross-border disputes the ADR entity has received

OS:C received 50,465 disputes during the reporting period. A dispute is defined as a request from a complainant notifying OS:C of an unresolved complaint for investigation. Of these cases 21,030 fell within scope of what OS:C can deal with.

23 of the total cases received were Cross Border disputes. Of these cases 6 fell within scope of what OS:C can deal with.

b) The types of complaints to which the domestic disputes and cross-border disputes relate

The following tables set out the types of domestic and cross-border disputes that were referred to OS:C within the reporting period which came within the scope of what OS:C can deal with.

Non Cross Border Complaints	
Complaint Types	Number of Cases
Billing	6566
Service quality	4914
Customer Service	2895
Contract Issues	2700
Mis-sell	1769
Equipment	1155
Security	623
Unknown	251
Other	138
Grand Total	21011



Cross Border Complaints	
Complaint Types	Number of Cases
Billing	3
Service quality	0
Customer Service	1
Contract Issues	1
Mis-sell	1
Equipment	0
Security	0
Unknown	0
Other	0
Grand Total	6

- c) A description of any systematic or significant problems that occur frequently and lead to disputes between consumers and traders of which the ADR entity has become aware due to its operations as an ADR entity

The intrinsic value inherent in modern mobile handsets, tablets and other equipment attracts fraudulent activity. Traders operate differing approaches to prevent fraud and protect from the impact of such activity. OS:C's investigations into disputes involving claims of fraud has revealed evidence of weak identification practices. In addition, established processes are not always rigidly followed in practice. This increases the opportunity for fraud and dispute between consumers and traders.

Price increases mid-contract continue to be a frequent cause of dispute. The regulations and guidance for traders are clear. However, it is frequently seen that the notifications supplied to consumers do not fully comply with the requirements. Price increases should not come into effect unless consumers are appropriately notified and given the opportunity to reject the increase.

- d) Any recommendations the ADR entity may have as to how the problems referred to in paragraph [c] could be avoided or resolved in future, in order to raise traders' standards and to facilitate the exchange of information and best practices

Strengthening of current practices to ensure security checks are effective and practically enforced, would be beneficial to reduce the potential for fraud involving the mobile sector. Collaboration within the industry to set best practice, and take learnings from other sectors, could help to achieve this.

Traders must have effective checks and processes in place to ensure compliance with regulations in general, and in relation to increasing prices within an agreed contract term.



e) The number of disputes which the ADR entity has refused to deal with and upon what grounds

The number of disputes which OS:C has refused to deal with during the reporting period was 11,552. The percentage breakdown of the reasons for refusal is given below.

Reason for Refusal	Number of Cases
[a] Prior to submitting the complaint to you, the consumer has not attempted to contact the trader concerned in order to discuss the consumer's complaint and sought, as a first step, to resolve the matter directly with the trader	97%
[b] The dispute is frivolous or vexatious.	0%
[c] The dispute is being, or has been previously, considered by another certified ADR provider or by a court;	3%
[d] The value of the claim falls below or above the monetary thresholds you have set.	0%
[e] The consumer has not submitted a complaint to you within the time period specified by you for dealing with complaints, provided that such time period is not less than 12 Months from the date upon which the trader has given notice to the consumer that the trader is unable to resolve the complaint with the consumer.	0%
[f] Dealing with such a type of dispute would seriously impair the effective operation of your ADR operation.	0%

f) The percentage of alternative dispute resolution procedures which were discontinued for operational reasons and, if known, the reasons for the discontinuation

The number of complaints that were discontinued by OS:C during the reporting period for operational reasons was 17,866. This represents 35% of the total amount of disputes received. The table below is the percentage breakdown of the reasons for the discontinuation:

Reason for Refusal	Number of Cases
The subject matter of the dispute did not fall within the scope of what OS; Communications can consider under its scheme rules	16%
The consumer submitted an incomplete application to OS which could not be taken forward owing to the lack of information	42%
The trader that the consumer is complaining about was not registered with OS as its ADR entity	18%
The consumer was not a 'customer' of the trader	24%



g) The average time taken to resolve domestic disputes and cross-border disputes;

The average time taken to resolve a domestic dispute is 20 days and for a cross-border dispute is 28 days.

h) The rate of compliance, if known, with the outcomes of the alternative dispute resolution procedures;

In the reporting period 94% of remedies were implemented within 28 days and 4% implemented outside of 28 days. Of the total confirmed remedies, 2% remain unimplemented after 28 days.

OS:C follows a process to pursue traders who fail to implement a binding decision within the required timeframe. OS:C will report a trader to the regulator for sustained failure to implement binding decisions within the required timeframes. OS:C will also consider the membership status of participating companies who fail to comply with binding decisions, with a view to terminating that membership.

i) The co-operation if any, of the ADR entity within any network of ADR entities which facilitates the resolution of cross-border disputes

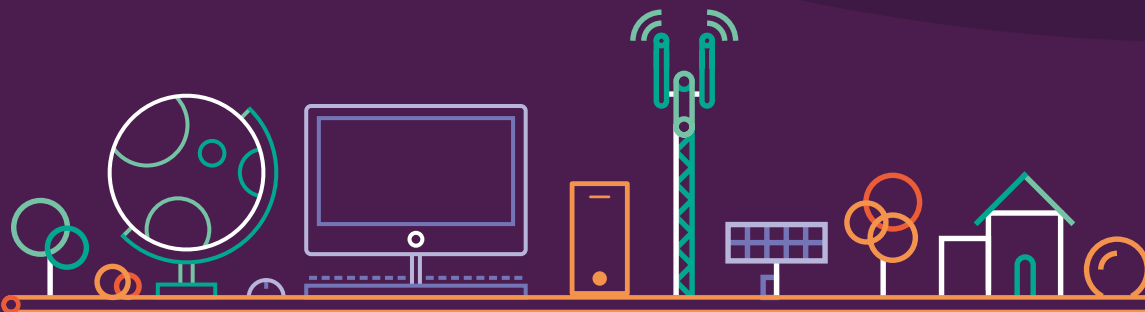
OS:C investigates very few cross border disputes as a proportion of the overall cases handled by the service. OS:C is not affiliated with an ADR network as described in this section.



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